



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-957]

Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from the People's Republic of China: Final Results of Expedited Second Sunset Review of the Countervailing Duty Order

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: As a result of this sunset review, the Department of Commerce (Commerce) finds that revocation of the countervailing duty (CVD) order on seamless carbon and alloy steel standard, line and pressure pipe (seamless pipe) from the People's Republic of China (China) would likely lead to the continuation or recurrence of countervailable subsidies at the levels indicated in the "Final Results of Sunset Review" section of this notice.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Theodore Pearson, Office I, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2631.

SUPPLEMENTARY INFORMATION:Background

On November 10, 2010, Commerce published the CVD Order on seamless pipe from China in the *Federal Register*.¹ On February 1, 2021, Commerce published the notice of initiation of the second sunset review of the *CVD Order*² on seamless pipe from China pursuant to section 751(c) of the

¹ See *Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from the People's Republic of China: Amended Final Affirmative Countervailing Duty Determination and Countervailing Duty Order*, 75 FR 69050 (November 10, 2010) (*CVD Order*).

² See *CVD Order*.

Tariff Act of 1930, as amended (the Act).³ On February 16, 2021, BENTELER Steel/Tube Manufacturing Corp. (BENTELER),⁴ Tenaris Bay City, Inc. and IPSCO Tubulars Inc. (in combination, Tenaris USA),⁵ United States Steel Corporation (U.S. Steel),⁶ and Vallourec Star, L.P. (Vallourec)⁷ (collectively, domestic producers) filed timely notices of intent to participate in accordance with 19 CFR 351.218(d)(1). Each of these companies claimed interested party status under section 771(9)(C) of the Act, as U.S. producers of the domestic like product.

On March 3, 2021, Commerce received an adequate substantive response collectively from the domestic industry within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i).⁸ Commerce did not receive substantive responses from any other domestic or respondent interested parties in this proceeding, nor was a hearing requested.

On March 23, 2021, Commerce notified the U.S. International Trade Commission that it did not receive an adequate substantive response from respondent interested parties.⁹ Accordingly, Commerce conducted an expedited (120-day) sunset review of the CVD Order, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(B)(2) and (C)(2).

Scope of the Order

The scope of this order consists of certain seamless carbon and alloy steel (other than stainless steel) pipes and redraw hollows, less than or equal to 16 inches (406.4 mm) in outside diameter, regardless of wall-thickness, manufacturing process (*e.g.*, hot-finished or cold-drawn), end finish (*e.g.*, plain end, beveled end, upset end, threaded, or threaded and coupled), or surface

³ See *Initiation of Five-Year "Sunset" Reviews*, 80 FR 59133 (October 1, 2015).

⁴ See BENTELER's Letter, "Notice of Intent to Participate in Second Sunset Reviews of the Antidumping and Countervailing Duty Orders on Seamless Carbon and Alloy Steel Standard, Line and Pressure Pipe from China," dated February 16, 2021.

⁵ See Tenaris USA's Letter, "Notice of Intent to Participate in Second Sunset Reviews of the Antidumping and Countervailing Duty Orders on Seamless Carbon and Alloy Steel Standard, Line and Pressure Pipe from China," dated February 16, 2021.

⁶ See U.S. Steel's Letter, "Five-Year ("Sunset") Review of Antidumping and Countervailing Duty Orders on Seamless Carbon and Alloy Steel Standard, Line and Pressure Pipe from China: Notice of Intent to Participate," dated February 16, 2021.

⁷ See Vallourec's Letter, "Seamless Carbon and Alloy Steel Standard, Line and Pressure Pipe from the People's Republic of China (Second Sunset Review): Notice of Intent to Participate," dated February 16, 2021.

⁸ See Domestic Producers' Letter, "Seamless Carbon and Alloy Steel Standard, Line and Pressure Pipe from the People's Republic of China (Second Sunset Review): Substantive Response," dated March 3, 2021.

⁹ See Commerce's Letter, "Sunset Reviews Initiated on February 1, 2021," dated March 23, 2021.

finish (*e.g.*, bare, lacquered or coated). Redraw hollows are any unfinished carbon or alloy steel (other than stainless steel) pipe or “hollow profiles” suitable for cold finishing operations, such as cold drawing, to meet the American Society for Testing and Materials (ASTM) or American Petroleum Institute (API) specifications referenced below, or comparable specifications. Specifically included within the scope are seamless carbon and alloy steel (other than stainless steel) standard, line, and pressure pipes produced to the ASTM A-53, ASTM A-106, ASTM A-333, ASTM A-334, ASTM A-589, ASTM A-795, ASTM A-1024, and the API 5L specifications, or comparable specifications, and meeting the physical parameters described above, regardless of application, with the exception of the exclusion discussed below.

Specifically excluded from the scope of the order are: (1) All pipes meeting aerospace, hydraulic, and bearing tubing specifications; (2) all pipes meeting the chemical requirements of ASTM A-335, whether finished or unfinished; and (3) unattached couplings. Also excluded from the scope of the order are all mechanical, boiler, condenser and heat exchange tubing, except when such products conform to the dimensional requirements, *i.e.*, outside diameter and wall thickness of ASTM A-53, ASTM A-106 or API 5L specifications.

The merchandise covered by the order is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers: 7304.19.1020, 7304.19.1030, 7304.19.1045, 7304.19.1060, 7304.19.5020, 7304.19.5050, 7304.31.6050, 7304.39.0016, 7304.39.0020, 7304.39.0024, 7304.39.0028, 7304.39.0032, 7304.39.0036, 7304.39.0040, 7304.39.0044, 7304.39.0048, 7304.39.0052, 7304.39.0056, 7304.39.0062, 7304.39.0068, 7304.39.0072, 7304.51.5005, 7304.51.5060, 7304.59.6000, 7304.59.8010, 7304.59.8015, 7304.59.8020, 7304.59.8025, 7304.59.8030, 7304.59.8035, 7304.59.8040, 7304.59.8045, 7304.59.8050, 7304.59.8055, 7304.59.8060, 7304.59.8065, and 7304.59.8070.

Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the merchandise subject to this scope is dispositive.

Analysis of Comments Received

All issues raised in this sunset review are addressed in the Issues and Decision Memorandum.¹⁰ A list of the topics discussed in the Issues and Decision Memorandum is attached as an appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://enforcement.trade.gov/frn>.

Final Results of Sunset Review

Pursuant to sections 751(c)(1) and 752(b) of the Act, we determine that revocation of the *CVD Order* on seamless pipe from China would be likely to lead to continuation or recurrence of a net countervailable subsidy at the following rates:

| Manufacturers/Producers/Exporters | Net Countervailable Subsidy (Percent) |
|--|--|
| Tianjin Pipe (Group) Corp., Tianjin Pipe Iron Manufacturing Co., Ltd., Tianguan Yuantong Pipe Product Co., Ltd., Tianjin Pipe International Economic and Trading Co., Ltd., TPCO Charging Development Co., Ltd. | 8.24 |
| Hengyang Steel Tube Group Int'l Trading, Inc., Hengyang Valin Steel Tube Co., Ltd., Hengyang Valin MPM Tube Co., Ltd., Xigang Seamless Steel Tube Co., Ltd., Wuxi Seamless Special Pipe Co., Ltd., Wuxi Resources Steel Making Co., Ltd., Jiangsu Xigang Group Co., Ltd., Hunan Valin Xiangtan Iron & Steel Co., Ltd., Wuxi Sifang Steel Tube Co., Ltd., Hunan Valin Steel Co., Ltd., Hunan Valin Iron & Steel Group Co., Ltd. | 49.56 |
| All Others | 28.90 |

Notification Regarding Administrative Protective Order (APO)

This notice serves as the only reminder to parties subject to APO of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a). Timely notification of destruction of APO materials or

¹⁰ See Memorandum, "Issues and Decision Memorandum for the Final Results of Expedited Second Sunset Review of the Countervailing Duty Order on Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from the People's Republic of China," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

Notification to Interested Parties

Commerce is issuing and publishing these final results and this notice in accordance with sections 751(c), 752(b), and 777(i)(1) of the Act and 19 CFR 351.218.

Dated: May 27, 2021.

Christian Marsh,
Acting Assistant Secretary for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the CVD Order
- IV. History of the CVD Order
- V. Legal Framework
- VI. Discussion of the Issues
- VII. Final Results of Sunset Review
- VIII. Recommendation

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